

Nonprofit Letters

Model #1

Overview: Volume – 2.8 million automation pieces; *Geographically concentrated* with majority of the mail carrier route sorted and entered at SCF. Total Mailings: 68 Average Volume: 40,000

Avg Postage Increase: 5.75% 2020 Avg Cost/Piece: \$0.0996 2021 Average Cost/Piece: \$0.1048 cents

Mailing Density Description:

SCF Entry: 93.1%
NDC Entry: 4.4%
Origin Entry: 2.5%

Postage Tiers:

Saturation Carrier Route: 8%
Carrier Route High Density Plus: 13%
Carrier Route High Density: 60%
5-Digit Scheme: 18%

To illustrate reasons for this mailer's big swings in individual mailings, see A1 and A2 below (with identical volumes):

A1: (2021 projected increase of .84%)

Pieces: 4,004

Entry: SCF Entry: 99.9%
Sortation: Saturation CR: 91.9%

A2: (2021 projected increase of 5.59%)

Pieces: 4,004

Entry: SCF Entry: 100%
Sortation: Saturation CR: 0%
High Density Plus CR: 41%
High Density CR: 58%

Details: Each mailing was entered at the SCF. But A1 had 91.9% of the mail sorted to the saturation carrier route rate. This postage tier is not increasing in 2021. A2 had 41% sorted at High Density Plus Carrier Route postage tier (no increase for 2021) but 58% of the mail was sorted to the High Density Carrier Route tier which is increasing by 8.91%, thus a 5.59% overall increase.

Model #2

Overview: Volume - 1.6 million Automation letters *mailed nationally* (in two campaigns of approx. 800K each)

Mailing Density Description:

SCF Entry: 95.4%
NDC Entry: 4.6%
Origin Entry: 0

Postage Tiers:

5 Digit: 67.3%
AADC: 32.7%

Avg postage Increase: 1.67% 2020 Avg Cost/Piece: \$0.1116 2021 Avg Cost/Piece: \$0.1135

Details: A closer look at the mail sortation finds that 85% of the mail was 5-digit SCF which increased 1.79% and 11% of the mail entered as 5-digit NDC which received no increase. Additionally, about half of the AADC mail was NDC entered. This portion increased only .7% and also help skew the total average down to 1.67%.

Model #3

Overview: Volume - 1.8 million Automation letters *mailed nationally* (in three more or less equal volume mailings).

Avg Postage Increase: 1.90% 2020 Average Cost/Piece: \$0.1175 2021 Average Cost/Piece: \$0.1197 cents

<u>Mailing Density Description:</u>	<u>Postage Tiers:</u>
SCF Entry: 95.2%	5-Digit: 67.3%
NDC Entry: 4.8%	AADC: 32.6%
Origin Entry: 0%	

Details: The majority of the mail was entered at the SCF, with 67% of the mail being 5-digit which increased 1.79%. The majority of the AADC rate also was entered at the SCF level which increased 2.2%. This was the determining factor in the average coming in at 1.9%.

Nonprofit Flats (under 4 ozs)

Model #4

Overview: Two *national mailings* of automated flats totaling 360K pieces.

Avg Postage Increase: -1.162% (yes, negative) 2020 Avg Cost/Piece: \$0.2220 2021 Avg Cost/Piece: \$0.2194

<u>Mailing Density Description:</u>	<u>Postage Tiers:</u>
SCF Entry: 60.51%	5 Digit 76.76%
NDC Entry: 27.25%	AADC: 22.08%
Origin Entry: 12.21%	

Details: Over 70% of these mailings were sorted to 5-digit and were entered at either SCF or NDC. These two rate cells will each decrease in 2021 (4.3% and 5.1%, respectively). This more than offsets the 30% mailing at tiers with increases. The net is a cost decrease of 1.162%.

Model #5

Overview: Four more or less equal *national mailings* of automated flats totaling 5.2 million pieces.

Avg Postage Increase: 8.896% 2020 Avg Cost/Piece: \$0.4359 2021 Avg Cost/Piece: \$0.4747

<u>Mailing Density Description:</u>	<u>Postage Tiers:</u>
SCF Entry: 0%	3 Digit Auto: 23.22%
NDC Entry: 0%	ADC Auto: 36.50%
Origin Entry: 100%	Mixed ADC Auto: 37.37%
	ADC non-Auto: 2.88%

Details: Origin entry mail absorbed significant increases at all sortation levels. Identically entered mail in 2021 will cost this mailer a whopping 8.896% increase.

Nonprofit Flats (over 4 ozs)

Model #6

Overview: A single *national mailing* of automated flats totaling 62K pieces.

Avg Postage Increase: 1.023% 2020 Avg Cost/Piece: \$0.3296 2021 Average Cost/Piece: \$0.3330

Mailing Density Description:

SCF Entry: 16.2%
NDC Entry: 66.57%
Origin Entry: 17.28%

Postage Tiers:

5 Digit Auto: 26.40%
3 Digit Auto: 69.39%
ADC Auto: 2.60%
Mixed ADC Auto: .88%

Details: This organization is comparable in its mail mix to that in Model #4. While the greatest percentage of its mail is entered at SCF and NDC rates (which dip slightly), a significant portion is entered at origin rate and bears large increases. The result brings this mailer's increase to just a touch over 1%.

Model #7

Overview: Six *national mailings* of automated flats totaling 227K pieces.

Avg Postage Increase: 1.78% 2020 Avg Cost/Piece: \$0.3102 2021 Avg Cost/Piece: \$0.3158

Mailing Density Description:

SCF Entry: 12.2%
NDC Entry: 65.1%
Origin Entry: 22.6%

Postage Tiers:

5 Digit Auto: 23.5%
3 Digit Auto: 73.3%
ADC Auto: 2.1%
Mixed ADC Auto: .56%

Details: As with the previous model, that mail is scattered among cells having both increases and decreases, with all origin mail on the increase side. The balance for this mailer comes to 1.78%.